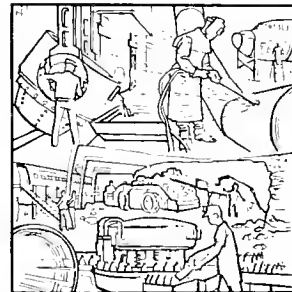


Manufacturers' Shipments, Inventories, and Orders

November 1974



FOR RELEASE: January 2, 1975

SUMMARY

New orders for manufactured products in November decreased \$1.74 billion or 2.0 percent to \$84.63 billion after seasonal adjustment. Shipments decreased \$1.87 billion or 2.1 percent to \$86.23 billion in November. Unfilled orders decreased \$1.60 billion or 1.2 percent to \$137.14 billion at the end of November. Manufacturers' inventories increased \$1.96 billion or 1.4 percent to \$147.03 billion at the end of November. The inventories to shipments ratio increased from 1.65 to 1.71.

For the 3 months ending in November the average change in new orders decreased 2.2 percent compared with a 2.0 percent increase for the 3 months ending in August and a 2.5 percent increase for the 3 months ending in May.

NEW ORDERS

New orders for durable goods decreased \$1.70 billion or 3.8 percent to \$43.39 billion in November. This decrease was primarily attributable to decreases in motor vehicles and parts (\$820 million), primary metals industries (\$425 million) and non-electrical machinery (\$400 million).

SHIPMENTS

Shipments of durable goods decreased \$1.87 billion or 4.0 percent to \$44.68 billion in November. This decrease was primarily attributable to decreases in motor vehicles and parts (\$830 million), primary metals industries (\$420 million) and fabricated metal products (\$235 million). Shipments of nondurable goods remained unchanged at \$41.55 billion in November.

UNFILLED ORDERS

Unfilled orders of durable goods decreased \$1.29 billion or 1.0 percent to \$132.94 billion in November. This decrease was primarily attributable to decreases in primary metals industries (\$645 million), motor vehicles and parts (\$500 million) and electrical machinery (\$370 million).

INVENTORIES

Inventories of durable goods increased \$1.01 billion and nondurable goods increased \$955 million between the end of November and October. At the all manufacturing level, materials and supplies increased \$405 million, work in process increased \$390 million and finished goods increased \$1.17 billion.

SCHEDULED RELEASE DATES

The figures on the durable goods industries in this report supersede those issued earlier in the advance report on durable goods. The present report is based on more complete reporting, but the estimates are also considered preliminary. Final figures will appear as historical data in the report to be published for next month. The advance report on durable goods for December is scheduled for release on January 22, 1975 and the full report is scheduled for release on January 31, 1975.

This report contains data on an unadjusted and seasonally adjusted basis. However, the data are not adjusted for price changes. For an explanation of terms used in this report see appendix following table 5.



U.S. DEPARTMENT OF COMMERCE | Social and Economic Statistics Administration | BUREAU OF THE CENSUS

Inquiries concerning these figures should be addressed to the U.S. Department of Commerce, Social and Economic Statistics Administration, Bureau of the Census, Industry Division, Washington, D.C. 20233. For sale by the Subscriber Services Section (Publications), Social and Economic Statistics Administration, Washington, D.C. 20233 or any Department of Commerce District Office. Price: 15 cents per copy—\$1.50 per year.

Table 1.--VALUE OF MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS, BY INDUSTRY GROUP

(Millions of dollars)

Industry group	Shipments						Total inventories					
	Seasonally adjusted			Without seasonal adjustment ¹			Seasonally adjusted			Without seasonal adjustment ¹		
	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1974 ^P	Oct. 1974 ^R	Nov. 1973	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1974 ^P	Oct. 1974 ^R	Nov. 1973
All manufacturing industries:												
Total.....	86,227	88,093	85,937	85,224	89,892	75,505	147,026	145,062	142,975	146,273	144,120	117,842
Total, excluding transportation.....	76,600	77,599	75,613	75,329	79,021	65,476	126,672	124,637	122,786	125,768	123,565	99,958
Durable goods industries, total.....	14,676	14,548	14,016	13,812	14,165	14,474	95,690	94,680	93,184	95,046	93,968	77,154
Stone, clay, and glass products.....	2,237	2,428	2,338	2,208	2,581	2,136	3,692	3,649	3,552	3,542	3,485	2,626
Primary metals, total.....	8,604	9,022	8,415	8,060	8,467	6,383	11,318	11,141	10,940	11,341	11,092	9,255
Blast furnaces, steel mills.....	4,635	4,980	4,448	4,209	4,398	3,057	5,249	5,172	5,073	5,327	5,177	4,686
Nonferrous metals.....	2,681	2,824	2,808	2,608	2,807	2,428	4,308	4,266	4,211	4,300	4,245	3,395
All other primary metals.....	1,288	1,218	1,159	1,243	1,262	898	1,761	1,703	1,656	1,714	1,670	1,174
Fabricated metal products total.....	5,292	5,528	5,277	5,232	5,721	4,668	11,352	10,934	10,705	11,100	10,809	8,602
Metal cans, barrels, and drums.....	581	617	601	509	600	431	1,072	1,002	915	998	953	680
Machinery, except electrical, total.....	7,769	7,787	7,356	7,211	7,675	6,174	21,094	20,627	20,237	21,042	20,427	16,322
Engines and turbines.....	612	637	591	584	550	495	1,849	1,832	1,827	1,896	1,860	1,429
Farm machinery and equipment.....	850	794	734	644	889	495	1,798	1,796	1,773	1,748	1,694	1,298
Construction, mining, and material handling equipment.....	1,677	1,662	1,475	1,506	1,576	1,189	4,174	4,103	4,010	4,153	4,005	3,172
Metalworking machinery.....	539	540	527	504	537	356	1,853	1,775	1,732	1,857	1,787	1,429
General industrial machinery.....	785	752	710	743	761	542	1,872	1,794	1,738	1,848	1,758	1,379
Electrical machinery, total.....	5,392	5,545	5,644	5,557	5,802	5,571	14,596	14,526	14,299	14,439	14,435	12,170
Electrical transmission and distribution equipment and industrial apparatus.....	1,152	1,146	1,165	1,158	1,153	1,028	3,194	3,172	3,125	3,152	3,139	2,681
Household appliances.....	720	756	831	694	769	655	1,372	1,343	1,312	1,344	1,312	1,154
Radio and TV.....	454	480	420	517	561	654	1,242	1,261	1,268	1,218	1,264	1,028
Communication equipment.....	1,212	1,241	1,197	1,239	1,266	1,150	4,215	4,173	4,067	4,190	4,152	3,471
Transportation equipment, total.....	9,627	10,494	10,324	9,895	10,871	10,029	20,354	20,425	20,189	20,505	20,555	17,884
Motor vehicles and parts.....	6,470	7,302	7,078	6,719	7,703	6,928	6,242	6,350	6,263	6,324	6,420	5,461
Aircraft, missiles, and parts.....	2,161	2,076	2,184	2,233	2,080	1,997	10,779	10,876	10,748	10,803	10,876	9,731
Shipbuilding and railroad equipment.....	468	521	474	472	506	433	2,450	2,304	2,277	2,518	2,403	1,883
Instruments and related products, total.....	1,471	1,422	1,337	1,499	1,483	1,258	4,189	4,192	4,177	4,108	4,152	3,110
Scientific and engineering.....	749	721	679	730	741	593	2,086	2,077	2,045	2,061	2,059	1,723
All other instruments and related products.....	722	701	658	769	742	665	2,103	2,115	2,132	2,047	2,093	1,387
All other durable goods industries.....	4,284	4,322	4,325	4,150	4,565	4,255	9,095	9,186	9,085	8,969	9,013	7,185
Nondurable goods industries, total.....	41,551	41,545	40,921	41,412	42,727	35,031	51,336	50,382	49,791	51,227	50,152	40,668
Food and kindred products, total.....	14,141	13,924	13,497	14,340	14,430	12,337	12,070	11,745	11,812	12,615	12,120	10,904
Meat products.....	2,852	2,692	2,742	2,812	2,864	2,882	1,254	1,181	1,225	1,269	1,177	1,177
Fats and oils.....	1,268	1,230	1,299	1,342	1,224	922	1,104	914	978	1,207	907	810
Tobacco products.....	587	639	563	591	637	532	2,813	2,772	2,726	2,816	2,745	2,449
Textile mill products.....	2,611	2,656	2,796	2,645	2,891	2,675	4,995	5,037	5,131	4,794	4,880	4,339
Paper and allied products, total.....	3,548	3,512	3,484	3,490	3,582	2,850	4,693	4,521	4,350	4,618	4,471	3,121
Pulp, paper, etc.....	1,559	1,592	1,530	1,529	1,615	1,216	1,620	1,547	1,492	1,602	1,547	1,082
Paperboard containers.....	886	877	871	873	914	766	1,300	1,249	1,218	1,294	1,242	927
All other paper containers.....	1,103	1,043	1,083	1,088	1,053	868	1,773	1,725	1,640	1,722	1,682	1,112
Chemicals and allied products, total.....	7,110	7,286	7,346	6,753	7,201	5,610	10,288	9,896	9,444	10,131	9,675	7,092
Industrial chemicals, except pigments.....	2,395	2,421	2,484	2,285	2,380	1,651	2,720	2,681	2,544	2,726	2,657	1,980
Drugs, soap, and toiletries.....	1,682	1,684	1,720	1,674	1,804	1,612	3,527	3,334	3,201	3,428	3,237	2,349
Petroleum and coal products.....	5,155	5,105	5,036	5,110	5,042	3,425	3,923	3,869	3,924	4,032	3,968	2,617
Rubber and plastics products, n.e.c.....	2,017	2,121	2,078	1,944	2,195	1,729	3,245	3,187	3,141	3,226	3,132	2,559
All other nondurable goods industries.....	6,382	6,302	6,121	6,539	6,749	5,873	9,309	9,355	9,263	8,995	9,161	7,607

See footnotes at end of table.

Table 1.--VALUE OF MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS, BY INDUSTRY GROUP--Continued

(Millions of dollars)

Industry group	New orders						Unfilled orders					
	Seasonally adjusted			Without seasonal adjustment ¹			Seasonally adjusted			Without seasonal adjustment ¹		
	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1974 ^P	Oct. 1974 ^R	Nov. 1973	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1974 ^P	Oct. 1974 ^R	Nov. 1973
All manufacturing industries:												
Total.....	84,631	86,369	87,147	83,716	87,914	78,052	137,142	138,738	140,467	135,127	136,636	111,401
Total, excluding transportation.....	74,963	76,357	76,524	73,838	77,684	67,037	102,867	104,504	105,746	100,855	102,349	81,266
Durable goods industries, total.	43,387	45,084	46,402	42,592	45,418	42,980	132,935	134,224	135,695	130,972	132,191	106,722
Primary metals, total.....	7,954	8,378	8,611	8,001	7,918	6,795	18,347	18,993	19,636	16,999	17,058	13,770
Blast furnaces, steel mills.	4,025	4,366	4,414	4,192	3,895	3,288	11,278	11,887	12,501	10,195	10,211	9,086
Nonferrous metals.....	2,664	2,691	2,960	2,564	2,681	2,488	3,545	3,561	3,694	3,332	3,376	2,647
Fabricated metal products.....	5,226	5,555	5,871	5,022	5,639	4,849	20,225	20,292	20,264	20,032	20,241	14,491
Machinery, except electrical, total.....	7,602	8,001	8,120	7,059	7,980	6,889	29,976	30,142	29,933	29,776	29,928	21,191
Engines and turbines.....	623	686	618	580	620	676	7,053	7,041	6,994	7,034	7,038	5,572
Construction, mining, and material handling equipment.	1,688	1,744	1,677	1,472	1,679	1,397	7,340	7,329	7,248	7,266	7,300	4,242
Metalworking machinery.....	523	548	581	470	542	423	2,608	2,624	2,616	2,631	2,666	2,023
General industrial machinery.	728	878	930	726	852	555	3,483	3,540	3,414	3,407	3,424	2,184
Electrical machinery, total...	5,026	5,192	5,149	4,976	5,301	5,748	21,269	21,640	21,993	21,260	21,842	19,665
Electrical transmission and distribution equipment and industrial apparatus.....	956	1,006	1,218	928	1,053	1,150	6,618	6,815	6,955	6,579	6,809	5,386
Household appliances.....	701	737	840	667	752	637	112	131	150	105	133	114
Radio and TV.....	454	469	343	436	531	629	564	565	575	518	599	698
Communication equipment.....	1,392	1,207	1,008	1,320	1,232	1,110	7,164	6,985	7,020	7,288	7,207	6,435
Transportation equipment, total.....	9,668	10,012	10,623	9,878	10,230	11,015	34,275	34,234	34,721	34,272	34,287	30,135
Aircraft, missiles, and parts.....	2,543	2,280	2,729	2,428	2,119	1,982	21,005	20,623	20,422	20,938	20,743	18,460
Shipbuilding and railroad equipment.....	624	350	297	581	278	1,228	8,777	8,621	8,792	8,709	8,599	7,169
All other durable goods industries.....	7,911	7,946	8,028	7,656	8,350	7,684	8,843	8,923	9,148	8,633	8,835	7,470
Nondurable goods industries, total.....	41,244	41,285	40,745	41,124	42,496	35,072	4,207	4,514	4,772	4,155	4,445	4,679
Industries with unfilled orders.....	9,246	9,335	9,437	9,383	9,837	8,840	4,207	4,514	4,772	4,155	4,445	4,679
Industries without unfilled orders.....	31,998	31,950	31,308	31,741	32,659	26,232	-	-	-	-	-	-

- Represents zero. ^PPreliminary. ^RRevised.
¹Adjusted for trading-day and calendar-month variations.

Table 2.--VALUE OF MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS, FOR MARKET CATEGORIES AND SUPPLEMENTARY SERIES
(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment ¹			Seasonally adjusted			Without seasonal adjustment		
	Nov. 1974 ^p	Oct. 1974 ^r	Sept. 1974	Nov. 1974 ^p	Oct. 1974 ^r	Nov. 1973	Nov. 1974 ^p	Oct. 1974 ^r	Sept. 1974	Nov. 1974 ^p	Oct. 1974 ^r	Nov. 1973
	Shipments						Total inventories					
All manufacturing industries, total..	86,227	88,093	85,937	85,224	89,892	75,505	147,026	145,062	142,975	146,273	144,120	117,842
Durable goods industries, total.....	44,676	46,548	45,016	43,812	47,165	40,474	95,690	94,680	93,184	95,046	93,968	77,154
Nondurable goods industries, total.....	41,551	41,545	40,921	41,412	42,727	35,031	51,336	50,382	49,791	51,227	50,152	40,688
Industry groups arranged by market categories:												
Home goods and apparel.....	7,461	7,591	7,429	7,486	8,249	7,225	14,884	14,929	14,839	14,344	14,523	12,580
Consumer staples.....	16,805	16,644	16,072	17,025	17,374	15,104	18,959	18,598	18,380	19,267	18,826	16,110
Equipment and defense products, except automotive.....	11,447	11,445	10,991	10,984	11,400	9,510	37,394	36,919	36,234	37,306	36,703	30,507
Automotive equipment.....	7,606	8,573	8,299	7,756	9,006	8,120	8,155	8,247	8,171	8,184	8,253	7,062
Construction materials, supplies, and intermediate products.....	6,350	6,672	6,503	6,245	6,981	6,194	12,897	12,762	12,754	12,648	12,524	9,828
Other materials and supplies and intermediate products.....	36,558	37,168	36,643	35,728	36,882	29,352	54,737	53,607	52,597	54,524	53,291	41,755
Supplementary series: ²												
Household durable goods industries.....	3,216	3,345	3,287	3,226	3,606	3,292	7,554	7,514	7,368	7,361	7,345	5,955
Capital goods industries.....	12,864	12,950	12,648	12,672	12,841	11,373	41,950	41,368	40,675	41,915	41,274	34,502
Nondefense.....	11,292	11,287	11,010	11,059	11,196	9,787	35,469	34,905	34,298	35,400	34,775	28,962
Defense.....	1,572	1,663	1,638	1,613	1,645	1,586	6,481	6,463	6,377	6,515	6,499	5,540
	New orders						Unfilled orders					
All manufacturing industries, total..	84,631	86,369	87,147	83,716	87,914	78,052	137,142	138,738	140,467	135,127	136,636	111,401
Durable goods industries, total.....	43,387	45,084	46,402	42,592	45,418	42,980	132,935	134,224	135,695	130,972	132,191	106,722
Nondurable goods industries, total.....	41,244	41,285	40,745	41,124	42,496	35,072	4,207	4,514	4,772	4,155	4,445	4,679
Industry groups arranged by market categories:												
Home goods and apparel.....	7,336	7,534	7,263	7,283	8,099	7,220	2,548	2,667	2,722	2,512	2,696	2,928
Consumer staples.....	16,813	16,641	16,085	17,046	17,388	15,113						
Equipment and defense products, except automotive.....	11,523	11,425	12,025	10,596	11,323	10,742	66,748	67,170	67,712	66,508	67,216	54,215
Automotive equipment.....	7,109	8,058	8,230	7,435	8,554	8,326						
Construction materials, supplies, and intermediate products.....	6,374	6,625	6,952	6,092	6,853	6,315	18,078	18,054	18,101	17,908	18,061	13,445
Other materials and supplies and intermediate products.....	35,476	36,086	36,592	35,264	35,697	30,336	49,768	50,847	51,932	48,199	48,663	40,813
Supplementary series: ²												
Household durable goods industries.....	3,142	3,294	3,128	3,063	3,470	3,280	1,976	2,052	2,100	1,927	2,091	2,318
Capital goods industries.....	13,204	12,784	13,510	12,608	12,684	12,891	75,466	75,128	75,302	75,191	75,256	60,506
Nondefense.....	10,835	11,383	11,832	10,469	11,197	10,942	50,954	51,413	51,323	50,590	51,181	39,730
Defense.....	2,369	1,401	1,678	2,139	1,487	1,949	24,512	23,715	23,979	24,601	24,075	20,776

-During 1968 manufacturers in ordnance, communications, aircraft and aircraft parts, and shipbuilding industries began to provide aggregate figures on shipments, orders, and total inventories of work performed for the Department of Defense. The results of these reports are included in the defense series. ^pPreliminary. ^rRevised. ¹Shipments and new orders adjusted for trading-day and calendar-month variations; unfilled orders and inventories as of end of month. ²The supplementary series are regroupings of the separate industry categories as follows:

Household durable goods industries - Household furniture; kitchen articles and pottery; cutlery, handtools, and hardware; household appliances; ophthalmic goods, watches, and clocks; and miscellaneous personal goods.

Capital goods industries - The capital goods industries series is comparable to the previous Producers' Capital Goods and the Defense Products (old series) categories.

Nondefense products - Machinery, except electrical (excluding farm machinery and equipment and machine shops), electrical machinery (excluding household appliances and electronic components), and the nondefense portions of shipbuilding and repairing and railroad equipment, communication equipment, aircraft and aircraft parts, and ordnance.

Defense products - Based on separate reports on defense work filed by large defense contractors in the following industries: ordnance, communications, aircraft and aircraft parts, and shipbuilding. The data are comparable to those published annually in the MA-175, Shipments of Defense-Oriented Industries, for the specified industries.

Table 3.--MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS MONTH-TO-MONTH AND LONG TERM PERCENT CHANGES

(Based on seasonally adjusted data)

Item and industry group	Month-to-month			Average monthly rates of change				Average, 1968-73	
	Oct.- Nov. 1974	Sept.- Oct. 1974	Aug.- Sept. 1974	3 months			12 months Nov. 1973- Nov. 1974	Average rise	Average decline
				Aug.- Nov. 1974	May- Aug. 1974	Feb.- May 1974			
Shipments:									
All manufacturing industries.....	-2.1	+2.5	+0.2	+0.2	+1.9	+1.8	+1.1	+1.3	-1.0
Durable goods industries, total.....	-4.0	+3.4	+0.4	-0.1	+1.8	+2.0	+0.7	+1.8	-1.5
Nondurable goods industries, total.....	0.0	+1.5	0.0	+0.5	+2.0	+1.5	+1.4	+1.1	-0.8
Total inventories:									
All manufacturing industries.....	+1.4	+1.5	+2.3	+1.7	+2.2	+1.6	+1.8	+0.6	-0.1
New orders:									
All manufacturing industries.....	-2.0	-0.9	-3.6	-2.2	+2.0	+2.5	+0.7	+1.7	-1.4
Durable goods industries, total.....	-3.8	-2.8	-6.2	-4.3	+1.9	+3.4	+0.1	+2.5	-2.1
Nondurable goods industries, total.....	-0.1	+1.3	-0.5	+1.2	+2.1	+1.5	+1.4	+1.1	-0.8
Unfilled orders:									
Durable goods industries, total.....	-1.0	-1.1	+1.0	-0.4	+3.2	+2.4	+1.7	+1.3	-1.0

Table 4.--VALUE OF MANUFACTURERS' INVENTORIES, BY STAGE OF FABRICATION, BY INDUSTRY GROUP
(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment			Seasonally adjusted			Without seasonal adjustment		
	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1974 ^P	Oct. 1974 ^R	Nov. 1973	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1974 ^P	Oct. 1974 ^R	Nov. 1973
	Total						Materials and supplies					
All manufacturing industries, total..	147,026	145,062	142,975	146,273	144,120	117,842	52,523	52,119	51,328	52,471	52,065	39,131
Durable goods industries, total.....	95,690	94,680	93,184	95,046	93,968	77,154	32,148	31,846	31,102	32,118	31,994	23,441
Stone, clay, and glass products.....	3,692	3,649	3,552	3,542	3,485	2,626	1,388	1,382	1,336	1,376	1,371	962
Primary metals.....	11,318	11,141	10,940	11,341	11,092	9,255	5,115	5,018	4,899	5,238	5,162	3,593
Machinery (electrical and nonelectrical).	35,690	35,153	34,536	35,481	34,862	28,492	11,013	11,045	10,691	10,881	10,921	7,975
Transportation equipment.....	20,354	20,425	20,189	20,505	20,555	17,884	4,401	4,479	4,555	4,490	4,579	3,665
All other durable goods industries.....	24,636	24,312	23,967	24,177	23,974	18,897	10,231	9,922	9,621	10,133	9,961	7,246
Nondurable goods industries, total.....	51,336	50,382	49,791	51,227	50,152	40,688	20,375	20,273	20,226	20,353	20,071	15,690
Chemicals and allied products.....	10,288	9,896	9,444	10,131	9,675	7,092	4,346	4,314	4,176	4,308	4,252	2,682
Petroleum and coal products.....	3,923	3,869	3,924	4,032	3,968	2,617	960	966	1,000	965	959	567
Rubber and plastics products, n.e.c.....	3,245	3,187	3,141	3,226	3,132	2,559	1,207	1,252	1,239	1,229	1,245	956
All other nondurable goods industries....	33,880	33,430	33,282	33,838	33,377	28,420	13,862	13,741	13,811	13,851	13,615	11,485
	Work in process						Finished goods					
All manufacturing industries, total..	49,062	48,671	48,236	49,018	48,573	41,920	45,441	44,272	43,411	44,784	43,482	36,791
Durable goods industries, total.....	41,162	40,848	40,488	41,171	40,774	35,529	22,380	21,986	21,594	21,757	21,200	18,184
Stone, clay, and glass products.....	463	458	454	427	424	363	1,841	1,809	1,762	1,739	1,690	1,301
Primary metals.....	3,672	3,648	3,665	3,647	3,571	3,395	2,531	2,475	2,376	2,456	2,359	2,267
Machinery (electrical and nonelectrical).	15,822	15,603	15,482	15,880	15,604	13,245	8,855	8,505	8,363	8,720	8,337	7,272
Transportation equipment.....	14,226	14,244	13,986	14,288	14,292	12,639	1,727	1,702	1,648	1,727	1,684	1,580
All other durable goods industries.....	6,979	6,895	6,901	6,929	6,883	5,887	7,426	7,495	7,445	7,115	7,130	5,764
Nondurable goods industries, total.....	7,900	7,823	7,748	7,847	7,799	6,391	23,061	22,286	21,817	23,027	22,282	18,607
Chemicals and allied products.....	1,569	1,525	1,452	1,553	1,497	1,107	4,373	4,057	3,816	4,270	3,926	3,303
Petroleum and coal products.....	1,053	1,049	1,023	1,058	1,071	593	1,910	1,854	1,901	2,009	1,938	1,457
Rubber and plastics products, n.e.c.....	562	533	530	560	530	415	1,476	1,402	1,372	1,437	1,357	1,188
All other nondurable goods industries....	4,716	4,716	4,743	4,676	4,701	4,276	15,302	14,973	14,728	15,311	15,061	12,659

^PPreliminary.^RRevised.

Table 5.--RATIO OF MANUFACTURERS' INVENTORIES TO SHIPMENTS AND UNFILLED ORDERS TO SHIPMENTS, BY INDUSTRY GROUP

(Based on seasonally adjusted data)

Industry group	Inventories - shipments ratio				Unfilled orders - shipments ratio ¹ (months' backlog)			
	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1973	Nov. 1974 ^P	Oct. 1974 ^R	Sept. 1974	Nov. 1973
All manufacturing industries, total.....	1.71	1.65	1.66	1.56	2.80	2.76	2.87	2.55
Durable goods industries, total.....	2.14	2.03	2.07	1.89	3.37	3.30	3.45	3.04
Stone, clay, and glass products.....	1.65	1.50	1.52	1.27	(NA)	(NA)	(NA)	(NA)
Primary metals.....	1.32	1.23	1.30	1.36	2.13	2.11	2.33	2.20
Fabricated metals.....	2.15	1.98	2.03	1.87	4.29	4.13	4.33	3.46
Machinery, except electrical.....	2.72	2.65	2.75	2.47	3.86	3.87	4.07	3.22
Electrical machinery.....	2.71	2.62	2.53	2.29	3.94	3.90	3.90	3.66
Transportation equipment.....	2.11	1.95	1.96	1.82	6.58	6.31	6.38	5.89
Instruments and related products.....	2.85	2.95	3.12	2.57	(NA)	(NA)	(NA)	(NA)
Nondurable goods industries, total.....	1.24	1.21	1.22	1.16	0.44	0.47	0.50	0.54
Food and kindred products.....	0.85	0.84	0.88	0.86	(X)	(X)	(X)	(X)
Tobacco products.....	4.79	4.34	4.84	4.63	(X)	(X)	(X)	(X)
Textile mill products.....	1.91	1.90	1.84	1.71	(NA)	(NA)	(NA)	(NA)
Paper and allied products.....	1.32	1.29	1.25	1.09	(NA)	(NA)	(NA)	(NA)
Chemicals and allied products.....	1.45	1.36	1.29	1.22	(X)	(X)	(X)	(X)
Petroleum and coal products.....	0.76	0.76	0.78	0.74	(X)	(X)	(X)	(X)
Rubber and plastics products, n.e.c.....	1.61	1.50	1.51	1.43	(X)	(X)	(X)	(X)

(NA) Not available. P Preliminary. R Revised. (X) Not applicable.

¹Excludes the following industries with no unfilled order: Wooden containers; glass containers; metal cans, barrels and drums; motor vehicle assembly operations; foods and related products; tobacco; apparel and related products; chemicals; petroleum and coal products; and rubber and plastics products, n.e.c.

Appendix

The following is a description of the survey and definitions used. These are provided to clarify the meaning of the items involved and do not represent any revisions from those definitions previously employed.

DESCRIPTION OF THE SURVEY

The Manufacturers' Shipments, Inventories, and Orders survey provides monthly figures that are comparable to the annual totals published each year in the annual survey of manufactures (ASM). The ASM is based on a sample of approximately 60,000 manufacturing establishments drawn from the 5-year census universe of about 310,000 establishments. In the ASM, each manufacturing establishment provides data on employment, payrolls, shipments, cost of materials, capital expenditures, and inventories as well as other selected items. The establishments do not provide information on unfilled orders or new orders. Since the ASM is establishment based, it provides data for each of the 425 manufacturing industries in the Standard Industrial Classification System (SIC) and area data for industry groups.

The monthly survey M3-1 does not provide information at the complete SIC industry detail because of the smaller size of the reporting panel and the fact that most companies cannot provide shipments, inventories, and orders data monthly for individual establishments.

The monthly reporting panel consists of approximately 5,000 reporting units and includes virtually all companies with 1,000 or more employees and a sample of the smaller ones. The reporting unit typically comprises the entire operations of a company although many of the larger diversified companies file separate divisional type reports for their operations in different industries.

Most of the reporting units include mixed industry activity even within the broad industry categories of the monthly survey. The survey methodology assumes that the month-to-month changes of the reporting units classified in each industry category represent effectively the month-to-month movements of the establishments in the SIC industries which make up the category. Thus, the monthly reports are used to update the ASM estimates by using a link relative of matched companies in each industry.

EXPLANATION OF TERMS

Value of Shipments--Shipments in the monthly survey are equivalent to value of shipments as reported in the ASM which are received or receivable net selling values, f.o.b. plant, after discounts and allowances and excluding freight charges and excise taxes. Included in shipments are the value of all products sold, transferred to other plants of the same company, or shipped on consignment.

Shipments also include receipts of establishments in the industry for contract work performed for others, resales, receipts for miscellaneous activities such as the sale of scrap and refuse; value of installation and repair work performed by employees of the plant; and value of research and development performed at the plant. In the aircraft industry and shipbuilding, the value of work done in a given year varies considerably from the value of shipments because of the long lead time between the input of the materials and labor and the shipments of the completed aircraft or ship. In the annual survey, therefore, the value of work done during the year is requested rather than the value of shipments.

The value of shipments figures developed from the ASM contain duplication at the all manufacturing and industry group levels since the products of some industries are used as materials by other industries within the industry group. With the exception of motor vehicles, it is not significant at the 4-digit SIC group level. Since the M3-1 industry categories typically are groupings of industries, this duplication is significant for the all manufacturing, durable goods and nondurable goods categories and the various market groups. The significance of the duplication within the specific M3-1 industry groups varies depending on the 4-digit industry composition of these groups. It is most pronounced in a few highly integrated industry areas such as primary metals and motor vehicles and parts.

Since most monthly reports are for the entire company or major divisions rather than establishments, the companies are requested to report net sales, i.e., total company billings after discounts and allowances. Companies which file divisional reports are requested to treat transfers from one division of the company to another as if they were net sales to outside customers. Although this



definition of shipments in the monthly reports differs from that used in the annual establishment reports, it is assumed that the month-to-month changes in company sales in the industry are representative of the month-to-month shipments of the establishments in the industry.

Inventories--End-of-month inventories in the monthly survey are identical in definition to the end-of-year inventories in the ASM. In the ASM, respondents are asked to report inventories of individual establishments at approximate current cost if feasible; otherwise, "at book values." Since different methods of inventory valuation are used (LIFO, FIFO, etc.), the definition of the aggregate inventories for establishments in an industry is not precise. The figures on the change in inventories from one period to the next are of greater significance than the actual aggregates.

Inventories are reported by stage of fabrication: (a) finished goods; (b) work in process; and (c) materials, supplies, fuel, and other inventories. In using inventories by stage of fabrication at the all manufacturing and 2-digit industry levels as well as for the durable and non-durable goods sectors, it should be noted that a finished product of one industry may be a raw material for another industry at the next stage of fabrication. Insofar as the durable and nondurable goods sectors and also the 2-digit industry groups contain industries with successive stages of processing, the same type of commodity may be included under different inventory categories in the aggregate statistics.

New Orders Received and Unfilled Orders--

Orders as reported in the monthly survey are net of cancellations during the month. They include orders received during the period and also filled during the period as well as those orders received for future delivery. They also include the net sales value of contract change documents which increase or decrease the sales value of the unfilled orders to which they relate. Orders include only those supported by binding legal documents such as signed contracts, or letter contracts. In case of letter contracts the full amount of the sales value is included if the parties are in substantial agreement on the amount; otherwise, only the funds specifically authorized to be expended are included. The respondent is instructed to deduct the sales value of partial or complete cancellation of existing orders.

Unfilled orders include orders as defined above that have not yet passed through the sales account. Generally, unfilled orders at the end of the reporting period are equal to unfilled orders at the beginning of the period plus net new orders received less net sales.

While both new orders and unfilled orders are used in reviewing individual company reports for consistency, only unfilled orders are estimated directly in the tabulated totals. New orders are derived from the shipments plus net change in unfilled orders for each industry category. This procedure is followed for seasonally adjusted data as well as for the unadjusted data. Shipments and unfilled orders are seasonally adjusted independently. Seasonally adjusted new orders are derived from seasonally adjusted shipments and seasonally adjusted unfilled orders.

